

**NORTH CAROLINA EDUCATION LOTTERY**

**INVITATION TO BID**

**AUDIO/VIDEO EQUIPMENT AND RELATED SERVICES**

**ITB # LC-000016**

**January 22, 2008**

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## PART I- GENERAL INFORMATION

### 1.1 INTRODUCTION

The North Carolina Education Lottery ("**NCEL**") is soliciting bids through this procurement (the "**Procurement**") and Invitation To Bid ITB # LC-000016 ("**ITB**") to invite responsible bids ("**Bids**") from qualified and reputable companies ("**Vendors**") to provide non-refurbished audio and video equipment for the NCEL's various offices as outlined in this ITB (collectively, the "**Services**").

The NCEL requires the Vendor that is selected to provide the Services contemplated by this ITB (the "**Successful Vendor**") to provide all Services and do all things necessary to enable the NCEL to achieve all of its objectives as set forth in this ITB.

The NCEL currently intends to execute only one contract (the "**Contract**") as a result of this Procurement; provided, however, nothing obligates the NCEL to sign any Contract, or only one Contract, and the NCEL may do whatever it determines in their sole discretion to be in the best interests of the NCEL and the State of North Carolina.

All Bids and the Contract are automatically subject to the requirements of, and must comply with, the North Carolina State Lottery Act (the "**Act**") and the regulations, policies and procedures of the NCEL as they may be adopted or amended from time to time (collectively, the "**Regulations, Policies and Procedures**"), as they may be changed from time to time. Copies of these documents may be obtained either from the NCEL or through a link on the NCEL's website, [www.nc-educationlottery.org](http://www.nc-educationlottery.org) (the "**Website**").

### 1.2 BID SUBJECT TO PUBLIC RECORDS LAWS

All Bids, data, materials and documentation originated, prepared and submitted to the NCEL pursuant to this ITB shall belong exclusively to the NCEL and may become available to the public in accordance with the North Carolina Public Records Act as provided in N.C.G.S. §132-1 et. seq. (the "**Public Records Laws**"). The NCEL will make reasonable attempts to maintain, in accordance with the Public Records Laws and the Act and all applicable laws of its domicile, the State of North Carolina and the United States of America (all of the forgoing being collectively defined as, the "**Applicable Laws**"), the confidentiality of any trade secrets or confidential information that meets the requirements of N.C.G.S. §132-1.2 of the Public Records Laws (collectively, "**Confidential Information**") if such Vendors properly and conspicuously identify the particular data or other materials which are Confidential Information in accordance with the Public Records Laws.

### 1.3 REJECTION OF BIDS AND CANCELLATION OF ITB; REISSUE OF ITB

Issuance of this ITB does not constitute a commitment on the part of the NCEL to award or execute a Contract. The NCEL retains the right, in its sole discretion, at any time to reject any or all Bids, in whole or in part, and to cancel or cancel and reissue this ITB, before or after receipt and opening of Bids in response thereto, or take any other actions, if it considers it to be in the best interests of the NCEL.

### 1.4 BID VALIDITY; INCURRED EXPENSES

All Bids shall remain valid for one hundred eighty (180) calendar days (the "**Bid Offer Period**") after 4:00 p.m. Eastern Standard Time ("**EST**") February 4, 2008 (the "**Bid Deadline**"). A Bid constitutes an offer by the Vendor to contract with the NCEL in accordance with the terms of the Bid and this ITB, which offer is irrevocable for the duration of the Bid Offer Period and may not be withdrawn or amended during the Bid Offer Period without the written consent of the NCEL. The NCEL shall not be liable or responsible for any costs, expenses, reimbursements or fees incurred by a Vendor in preparing and submitting a Bid or in performing any other action in connection with this Procurement.

## PART II - BID PROCESS

### 2.1 SUMMARY OF KEY DATES

The NCEL reserves the right to change any dates and schedule contained in this ITB, including those shown below. If changes are made, the changes will be communicated on the NCEL's Website.

<b>January 22, 2008</b>	ITB Issuance Date
<b>January 31, 2008</b>	Mandatory Site Survey, 10:00 a.m. EST at NCEL Headquarters 2100 Yonkers Road Raleigh, NC 27604  Mandatory Site Survey, 2:30 p.m. EST at Greensboro Regional Office Stonethrow Crossing Shopping Center 3711 Farmington Drive Greensboro, NC 27407
<b>February 7, 2008</b>	Deadline for submission of Questions 4:00 p.m. EST
<b>February 11, 2008</b>	Answers Posted
<b>February 20, 2008</b>	Deadline for submission of Bids 4:00 p.m. EST  <u>DELIVERY ADDRESS:</u> North Carolina Education Lottery Headquarters Audio/Video Equipment and Related Services ITB (ITB # LC-000016) 2100 Yonkers Road Raleigh, NC 27604
<b>February 29, 2008</b>	Target date for Decision of Successful Vendor followed by Contract Execution

### 2.2 CONTACT PERSON

The sole point of contact (the "**Contact Person**") for inquiries and additional information concerning this ITB (ITB # LC-000016) and Procurement will be William Bryant, who can be reached as follows:

Email: **bid.submission@lotterync.net**  
Fax: **919-715-8831**  
Re: **ITB # LC-000016**

North Carolina Education Lottery  
Audio/Video Equipment and Related Services ITB  
2100 Yonkers Road  
Raleigh, NC 27604

No direct or indirect contact or other solicitation initiated by Vendors or their representatives should occur with any NCEL employee other than the Contact Person.

### 2.3 MANDATORY SITE SURVEY and INQUIRIES

It shall be mandatory that a representative from each Vendor visit NCEL headquarters on January 31, 2008 at 10:00 a.m. EST (the "**Headquarters Site Survey**") and the NCEL Greensboro Regional Office

on January 31, 2008 at 2:30 p.m. EST (the **"Regional Site Survey"**). The purpose of the Site Surveys is for all prospective Vendors to acquaint themselves with the conditions and requirements of the tasks to be performed pursuant to this ITB. Please confirm your attendance at the Site Surveys by contacting the Contact Person listed in Section 2.2. **Failure to attend either or both Site Surveys will result in rejection of a Vendor's Bid.**

All inquiries regarding this ITB must be submitted in the form of questions or requests for clarification (collectively, the **"Questions"**). Such Questions must be in writing and received by the Contact Person identified in Section 2.2 of this ITB on or before 4:00 p.m. EST on February 7, 2008 (the **"Question Deadline"**). The NCEL's responses (the **"Answers"**) to Questions properly received prior to the Question Deadline will be posted on the NCEL's Website.

## **2.4 BID SUBMISSION AND FORMAT**

Bids must be received by the Contact Person no later than the Bid Deadline in sealed envelopes or containers. A Vendor should submit a signed original and five (5) reproduced complete copies of its Bid. Late Bids will not be accepted. Vendors should provide responses for all numbered items in Parts IV and V that request or call for a response or information, and responses and signatures are required for any Attachments referenced within, or attached to, this ITB that are due with the Bid. Bids shall be complete and must convey all of the information requested by the NCEL. Also, the Bid must designate a single authorized official from one of the entities to serve as the sole contact between the NCEL and the Vendor.

## **2.5 MULTIPLE VENDORS AND JOINT PROPOSALS**

If the response submitted is a joint Bid that includes multiple Vendors, it must define completely the roles, responsibilities, duties and obligations that each entity that is a part of a joint venture, strategic partnership or prime contractor team proposes to undertake, as well as the proposed responsibilities of each subcontractor of each entity. The Bid must be signed by an authorized officer or agent of each entity. Also, the Bid must designate a single authorized official from one of the entities to serve as the sole contact between the NCEL and the joint venture, strategic partnership or prime contractor team. Any Contract resulting from a joint Bid must be signed by an authorized officer or agent of each entity. Any entity which is part of a joint venture, strategic partnership or prime contractor team included in the submission of a joint bid will be jointly and severally liable during the term of the Contract.

The successful Vendor that submits a Bid whereby any subcontractor will provide some portion of the specifications of this ITB shall retain ultimate responsibility for all Services provided by any subcontractor, and any claims or liabilities arising from or related to the subcontractor's performance. Furthermore, each subcontractor of a Successful Vendor must comply with all of the requirements contained in this ITB. A vendor that submits a bid whereby any subcontractor will provide twenty-five percent (25%) or more of the specifications of this ITB must also provide the information described in Part IV, Bid Requirements, for each such subcontractor.

## **2.6 CHANGES, MODIFICATIONS AND CANCELLATION**

The NCEL reserves the right, in its sole discretion, at any time prior to the Bid Deadline to make changes to this ITB by issuance of written addendum(s) or amendment(s) or to cancel all or part of this ITB and Procurement. Any addendum(s), amendment(s) or cancellation(s) will be posted on the NCEL's Website.

## **2.7 BID CONSTITUTES OFFER**

By submitting a Bid, a Vendor agrees to be governed by the terms and conditions set forth in this ITB, and any amendments thereto, and further agrees that the Contract will incorporate the terms and conditions of this ITB and any amendments hereto and the Questions and Answers, the Vendor's Bid and any terms and conditions subsequently negotiated with such Vendor. A Vendor submitting a Bid must

complete and submit, as part of its Bid, the Vendor Certification Form included as **Attachment A**, and made a part hereof.

## **2.8 BID EVALUATION**

A variety of factors shall be considered by the NCEL in determining the Successful Vendor it believes provides the best overall solution at a fair and reasonable price and consistent with the goals and objectives of the NCEL. Thus, while Vendors are strongly encouraged to offer the lowest price and total cost and highest value possible, the Vendor offering the lowest price and total cost may not be selected as the Successful Vendor. The NCEL will conduct a fair, comprehensive and impartial evaluation of all Bids deemed responsive using an evaluation committee (the "**Evaluation Committee**") selected by the Director. The Evaluation Committee may request clarifications or answers to any questions it may have of a Vendor as a result of any information or representations contained in its Bid or otherwise identified, and may ask a Vendor to address technical questions or seek additional information regarding any Bid before completing the initial evaluation.

## **2.9 DISPUTE PROCEDURE**

All claims and disputes, including but not limited to protests related to this ITB, the Procurement and the award of the Contract to the Successful Vendor shall be handled solely and exclusively under and in accordance with the North Carolina Education Lottery Dispute Resolution Procedures (the "**Dispute Procedures**"), as adopted and/or amended from time to time by the NCEL Commission. Any Vendor that submits a Bid hereby expressly acknowledges and agrees that: (a) the Dispute Procedures represent the exclusive procedure and the exclusive forum for binding resolution of all claims, disputes, complaints and Dispute Resolution Requests of any kind relating in any way to any ITB, Procurement, Contract, offer, quote, Bid or agreement entered into by the NCEL; (b) it is estopped from objecting to any court, agency or other entity as to the Dispute Procedures being such sole and exclusive forum for binding resolution; and (c) it agrees to be completely, solely and irrevocably bound by such Dispute Procedures. In addition, each Vendor submitting a Bid irrevocably waives any claim it might have had to protest or object to this ITB or its contents.

## **2.10 NEGOTIATION AND EXECUTION OF CONTRACT**

A Successful Vendor under this ITB shall negotiate and execute a Contract containing such terms and conditions as shall be satisfactory to the NCEL. The occurrence of negotiations with any Vendor(s) conveys no right or status on such Vendor(s). By submitting a Bid, each Vendor acknowledges and agrees that the NCEL may negotiate with one or more Vendors, under such circumstances, at such times and in such a manner as it determines to be in the best interests of the NCEL.

## **2.11 NONEXCLUSIVE RIGHTS**

Nothing in this ITB or any Contract shall preclude the NCEL from purchasing other products or services as the NCEL, in its sole discretion, shall determine.

# **PART III – BID TERMS AND CONDITIONS**

## **3.1 GOVERNING LAW**

This Procurement and any Contract resulting from this ITB shall be governed by and construed in accordance with the laws of the State of North Carolina, including the Act. Any and all claims or disputes arising under or in connection with this ITB or the Contract shall be exclusively governed by the Dispute Procedures, as they may be adopted or amended from time to time by the Commission.

### **3.2 CONTRACT ELEMENTS**

The terms of this ITB, as may be amended by the NCEL from time to time, and the Bid of the Successful Vendor will be incorporated into and form a part of the Contract, as will the Questions and Answers. In the event of any conflict or contradiction between or among these documents, the documents shall control in the following order of precedence: the Contract, this ITB and any amendments thereto as well as Answers to the Questions, and finally the Bid of the Successful Vendor, all of which must comply with the Act. The NCEL reserves the right to negotiate the form of contract and offer such Contract to the Successful Vendor as the NCEL determines is in the best interests of the NCEL.

### **3.3 SUBCONTRACTING; ASSIGNMENT; COMPLIANCE**

Except as provided in Section 2.5 above, the Successful Vendor is prohibited from subletting, conveying, assigning or otherwise disposing of the Contract, its rights, duties, obligations, title, or interest therein, or its power to perform the Contract to any person or entity without the prior written approval of the NCEL. The Successful Vendor shall comply with all applicable rules, procedures and regulations as adopted and/or amended from time to time by the NCEL under the Act, including, but not limited to, the Regulations, Policies and Procedures of the NCEL and Applicable Laws related to the performance of the Contract. The Successful Vendor warrants that it currently is, and will at all time during the term of the Contract remain, lawfully organized and constituted under all Applicable Laws.

### **3.4 PATENTS, COPYRIGHTS, TRADEMARKS, TRADE SECRETS AND OTHER INTELLECTUAL PROPERTY; INTELLECTUAL PROPERTY INDEMNIFICATION**

The Successful Vendor represents and warrants that its System, Services and performance under the Contract and all other deliverables, written materials, designs, tangible or intangible materials, intellectual or other property or other work product of any kind or nature produced, revised, created, modified or prepared by the Successful Vendor in connection with the Contract, this ITB or Procurement or for the NCEL (collectively, the **"Work Product"**) does not and will not infringe any patent, copyright, trademark, service mark or other intellectual property rights of any other person or entity, and that it and they will not constitute the unauthorized use or disclosure of any trade secret of any other person or entity.

The Successful Vendor shall indemnify and hold harmless the NCEL, its officers, Commissioners, agents, retailers and employees and the State of North Carolina from and against any and all suits, damages, expenses, losses, liabilities, claims of any kind, costs or expenses of any nature or kind, including, without limitation, court costs, attorneys' fees and other damages, arising out of, in connection with or resulting from the development, possession, license, modification, disclosure or use of any System, Services or Work Product as they relate to any agreement entered into with the NCEL.

### **3.5 WARRANTY AND SOFTWARE LICENSE**

Warranty: The Successful Vendor warrants that all products furnished in response to this ITB will be newly manufactured, of good material and workmanship, free of defects, and covered for at least one (1) year from the date of acceptance by the NCEL for the entire system. Warranty shall include replacement of defective products at no additional charge to the NCEL for the term of the warranty. Offers shall not include used products, refurbished products, remanufactured, or end-of-life products unless specified elsewhere in this bid.

Software License: The Successful Vendor warrants that all products offered in response to this ITB will be licensed to the NCEL and shall include the current software release available on the market at the date of shipment to the NCEL.

### **3.6 BOOKS, RECORDS AND AUDIT REQUIREMENTS**

The Successful Vendor shall maintain its books, records and other evidence pertaining to the Contract in accordance with the Act, and Applicable Laws records retention requirements. The Successful Vendor shall maintain all documentation and records as required by the Act and other Applicable Laws and shall be subject to audit or inspection at any reasonable time and upon reasonable notice by the NCEL, or its duly appointed representatives, including, without limitation, the NCEL's auditors, the Office of the State Controller, the North Carolina State Auditor or any other appropriate representative of North Carolina state government. Specifically, without limitation, the Successful Vendor shall comply with the requirements of N.C.G.S. §18C-122 regarding independent audits.

### **3.7 TAXES, FEES AND ASSESSMENTS**

The NCEL shall have no responsibility whatsoever for the payment of any federal, state or local taxes which become payable by the Successful Vendor or its subcontractors, joint venturers, agents, officers or employees. The Successful Vendor shall pay and discharge all such taxes when due.

### **3.8 NEWS RELEASE**

The Successful Vendor shall not issue any news releases or participate in any media interview pertaining to this ITB, Procurement or the Contract without the express prior written consent of the NCEL in each instance, and then only in cooperation with the NCEL.

### **3.9 USUFRUCT**

If, for any reason other than breach of Contract by the NCEL, the Successful Vendor should become unable to service the Contract resulting from this ITB, the NCEL shall acquire an usufruct in all Systems, Work Product and other contractual items owned, leased or licensed by the Successful Vendor in conjunction with the Contract which are necessary to provide such services.

### **3.10 NONDISCRIMINATION**

The Successful Vendor hereby covenants and agrees that no person shall be excluded from participation in, or be denied benefits of, the Contract, or be excluded from employment, denied any of the benefits of employment or otherwise be subjected to discrimination on the grounds of handicap or disability, age, race, color, religion, sex, national origin or ancestry, or any other classification protected by federal, North Carolina state constitutional or statutory law or other Applicable Laws.

## **PART IV – BID REQUIREMENTS**

### **4.1 MANDATORY COMPONENTS; VENDOR COMMITMENT**

The integrity of the NCEL is essential. The NCEL must maintain control over all functions and be assured that they are performed to provide the greatest long-term benefit to the State of North Carolina, the greatest integrity for the NCEL and the best service for the public, all in a manner consistent with the dignity of the State of North Carolina. A Vendor must sign and submit the Vendor Certification Form included as **Attachment A** and made a part hereof. The form must be signed by a person duly authorized to legally bind such Vendor.

### **4.2 VENDOR CONTACT PERSON**

A Vendor shall provide the name, address, telephone number, e-mail address and facsimile number of the person to provide notification or contact concerning questions regarding its Bid.



### 4.3 BACKGROUND INFORMATION

The NCEL will investigate, at a minimum, the financial responsibility and security of any Vendor that submits a Bid. A Vendor must complete and submit as part of its Bid the Background Disclosure Form, included as **Attachment B** and made a part hereof. Vendors must also fully comply and cooperate with all investigations conducted under N.C.G.S. §18C-151(c) or §18C- 152 and other applicable Sections of the Act or Applicable Laws.

A Vendor must complete and submit, as part of its Bid, for itself and all of the individuals listed in this paragraph, the Authorization for Vendor Investigation Form, included as **Attachment C** and made a part hereof, and Authorization for Individual Investigation, included as **Attachment D** and made a part hereof, in both cases to allow the NCEL access to the criminal, civil, and financial history of the Vendor and its employees assigned to this project. Such forms shall authorize access to the backgrounds of the following persons, as well as the Vendor, as applicable: (i) if the Vendor is a corporation, the officers, directors and each person who owns five percent (5%) or more of the equity interests in any member of a Vendor Team; (ii) if the Vendor is a partnership or joint venture, all of the general partners, limited partners or joint ventures; and (iii) for any Vendor, any person who can exercise control or authority, or both, on behalf of the Vendor.

Contemporaneously with the delivery of a Bid, each Vendor must submit a check or other similar financial instrument of immediately available funds (the **"Record Check Fee"**) to the NCEL to cover the cost of criminal record check conducted under N.C.G.S. §114-19-6 pursuant to §18C-151(a)(3) of the Act.

The Record Check Fee that must be submitted by EACH Vendor with their Bid shall be in the amount equal to the sum of:

- i) Seven Hundred Fifty Dollars (\$750) (the **"Corporate Search Fee"**) for the Vendor and any parent company of the Vendor; plus
- ii) Two Hundred Dollars (\$200) (the **"Individual Search Fee"**) for each officer and director of the Vendor and for each shareholder of the Vendor who owns an interest of five percent (5%) or more in the Vendor.

In addition, contemporaneously with the execution of the Contract, only the Successful Vendor shall provide a performance bond or letter of credit from a bank or credit provider acceptable to the NCEL and in a form reasonably acceptable to the NCEL (the **"Performance Bond"**) in the amount of not less than Seven Thousand Five Hundred Dollars (\$7,500).

### 4.4 DISCLOSURE OF LITIGATION AND LEGAL MATTERS

A Vendor should include in its Bid a disclosure of any pending or overtly threatened civil or criminal litigation or indictment involving such Vendor. A Vendor must also disclose any civil or criminal litigation or indictment involving any of its subcontractors participating in its Bid. Specifically, the Vendor must disclose, on behalf of itself and each of the persons or entities described in N.C.G.S. §18C-152(b), all of the items and information described in N.C.G.S. §18C-152(c). This disclosure requirement is a continuing obligation, and any litigation commenced after a Vendor has submitted a Bid under this ITB must be disclosed to the NCEL in writing within five (5) days after it is filed.

### 4.5 FINANCIAL SOUNDNESS

Under the Act, a Vendor must provide adequate information to permit an evaluation of its financial responsibility, stability and its capabilities to undertake and complete satisfactorily any Contract awarded and, executed pursuant to this ITB. In that regard, a Vendor must submit a copy of its last year financial statements that have been audited by an independent public accounting firm, or if audited financial statements are not regularly produced, the NCEL will accept financial statements that are

reviewed (rather than audited) provided that the financial statements are certified as being accurate by an executive officer of Vendor.

#### **4.6 VENDOR BACKGROUND, EXPERIENCE AND CAPABILITIES**

The Vendor must submit a description of its background, experience, business, System and Services and a provide list of all current customers for which it provides systems or services similar to the System or Services. The Vendor should include for each account a description of the type of System implemented, Services performed, the name of the key contact person for each account and such contact person's telephone number. The NCEL reserves the right to contact any of the contact persons provided pursuant to this Section.

The Vendor shall submit with its Proposal as much technical and other information as may be necessary for the NCEL to properly evaluate the System and Services proposed by the Vendor, including at least three (3) examples of successful implementations of similar Systems and the performance of similar Services within the last two (2) years. Specific information should be provided in the Proposal about the Vendor's experience at performing repair and maintenance Services for its Systems. Any warranty or other claims made by any customer in the last three (3) years with respect to the System or any Services should also be described in the Proposal.

With its bid response, a Vendor must provide a letter from manufacturers of equipment listed in it referencing this ITB number (ITB-000016), and confirming that the Vendor is authorized to sell the products. Letters provided to Vendors for prior bids shall not meet the requirements of this ITB. **A Vendor's failure to provide the letter with its Proposal will render the Proposal non-responsive and will not be evaluated further.**

#### **4.7 SCOPE OF SERVICES**

The NCEL occupies six (6) Regional Offices/Claim Centers throughout North Carolina with its headquarters located in Raleigh, North Carolina. The purpose of this ITB is to obtain pricing for and select a Vendor to:

- Provide IP based audio-visual equipment to complete integration of existing equipment for full presentation, audio-conferencing, and video-conferencing capabilities at all NCEL locations (On-net), as well as connections to external organizations (Off-net);
- Place all equipment including currently owned NCEL audio-visual equipment under one maintenance contract; and
- Enhance an existing training room at headquarters.

All equipment must be new. No refurbished or used equipment will be accepted.

##### **Technical Specifications/Requirements**

- Regional Offices (5)
  - Wireless (WiFi) touch screen panels with docking station for video conferencing control/setup.
  - DVD/VCR Wall mounted lock boxes
  - Audio mixer & microphones
- Head Quarters
  - Video Conference Gateway Controller (Polycom)
    - Supports voice, video, data, and unified conferencing over an IP network.
    - Virtual Meeting Rooms with entry queues
    - IVR/DTMF conference management
    - Supports dial in, dial out, on-demand and scheduled conferencing
    - Multi-point video conferencing between 6 locations (On-net)

- Optionally must be expandable to include 20 + video conferencing ports for web interface (Off-net)
- QOS
- Support for ad hoc conference services.
- Wireless (WiFi) touch screen panel with docking station for video conferencing control/setup.
- Additional Microphones in 1st floor conference room
- Audio mixers
- Hi Def / SVGA and Stereo Audio over CAT 5 cabling converters
- 2nd Floor training room:
  - Ceiling mounted projector with minimum brightness of 3800lm
  - 60 x 80 High Contrast projector screen
  - Wall switch control unit for projector

#### **4.8 COMMITMENT TO NONDISCRIMINATION AND MINORITY PARTICIPATION**

The Act has specific references to minority participation in the formation and operation of the NCEL and requires compliance with Article 8 Chapter 143 as applicable. The NCEL strongly encourages participation by, and involvement of, minority-owned businesses. In order to achieve or exceed the goals established by the Act and Applicable Laws, and to provide equal business opportunities in the procurement process, the NCEL encourages Vendors to contract with minority-owned businesses whenever and wherever possible. Given the NCEL policy regarding participation of minority businesses and the express provisions of the Act, a Vendor shall carefully consider the inclusion, of, and shall commit not to discriminate against, minority businesses in the development of its Bid and provisions of its Services.

##### **4.8.1 MINORITY BUSINESSES PARTICIPATION**

Each Vendor should describe in its Bid what actions it currently takes in the areas of: (a) utilizing minority-owned businesses; (b) encouraging full participation of qualified, capable, competent and competitive minority-owned businesses; (c) assisting minority businesses or minority persons; and (d) any plans to continue to provide interested minority businesses with adequate information about any subcontracting opportunities. Bids should describe what minority businesses the Vendor uses or intends to use. To facilitate that process, each Vendor should complete and include in its Bid either Affidavits A and B, or Affidavit C, of **Attachment E** (Equal Business Opportunity Forms). Any additional and supplemental information in this area is also highly encouraged.

##### **4.8.2 NON-DISCRIMINATION**

Each Vendor should describe in its Bid what actions it currently takes, in the areas of: (a) ensuring a workplace free of all discrimination on the basis of race, color, religion, national origin, age, sex, disability or otherwise; (b) ensuring a diverse workforce and providing equal opportunities; and (c) ensuring and maintaining a work environment free of harassment, intimidation and coercion.

## **PART V - COST**

### **5.1 PRICING FORMULA**

The NCEL currently expects that the Successful Vendor shall be compensated for all Systems and Services based on a fixed fee agreed upon by the NCEL; however, Vendors are encouraged to offer, in addition to a fixed fee, alternative pricing terms if they wish. Vendors are reminded that the cost quotation should cover all of the Systems and Services and other items covered and required by this ITB and Procurement, as well as other Services deemed necessary by the Vendor, to be provided by the Successful Vendor

during the entire term of the Contract. All Services required by this ITB and Procurement must be included in such fee, including, without limitation:

- Cost associated with the supply, installation, activation, testing, and training of all required equipment;
- Cost associated with a one (1) year warranty that the proposed installed equipment is free from any and all defects in material and workmanship. Such warranty to cover replacement costs, labor, freight, and travel expenses at no additional cost to the NCEL; and
- Cost associated with one (1) year of service and maintenance after the expiration of the initial warranty period and options for two (2) years there after.

Vendors shall provide the pricing in the format presented in Section 4.7, including total unit cost per line item and extended unit cost. No reimbursement will be available to the Successful Vendor beyond the amount agreed to be paid as the cost of the goods provided. Costs agreed to in the resulting contract shall be firm and remain constant throughout the life of the contract and any extensions thereof.

## **5.2 PAYMENT**

Upon determination of the amount due to the Successful Vendor on the thirtieth (30<sup>th</sup>) day of each month, payment will be processed in an expedited manner. Vendors may propose any alternative methods or schedules of payments which will be considered during contract negotiations with the Apparent Successful Vendor.

## ATTACHMENT A

### VENDOR CERTIFICATION

#### AUDIO/VISUAL EQUIPMENT AND RELATED SERVICES

I do hereby certify as follows:

1. The initial prices and other terms and provisions included in the Bid submitted by \_\_\_\_\_ (the "Proposing Vendor") are accurate and binding for 180 days from the Bid due date (the "Bid Offer Period");
2. All charges are, to the best of my knowledge, accurate and complete;
3. The Proposing Vendor acknowledges and agrees that this Bid will be considered valid and irrevocable for the Bid Offer Period and, if an award is not made within the Bid Offer period or if a Contract with the Successful Vendor is for any reason not executed within the Bid Offer Period, it shall be incumbent upon the Proposing Vendor to notify the designated contact person identified in Section 2.2 of the ITB in writing if it does not want its Bid to be further considered beyond the Bid Offer Period (i.e., in the event of a breach or termination, the NCEL may decide to return to the remaining Vendors' Bids). Failure on the part of the Proposing Vendor to notify the designated contact person identified in Section 2.2 of this ITB will mean that its Bid remains valid even after the Bid Offer Period;
4. The cost and other terms and provisions contained in the Bid accurately reflect the Proposing Vendor's total proposed cost, including any applicable discounts, and the Proposing Vendor would deliver the services and related items for that amount and according to those terms and provisions if the NCEL wanted to accept the prices and other terms and provisions described in its Bid without negotiation;
5. All inquiries to the NCEL and other pre-Bid review and evaluation efforts have been completed and that no extra costs or payments to any entity, including this Proposing Vendor, will be allowed for any miscalculation, deficiency, oversight and failure to make suggestions regarding possible additional needs for desired features, or any other difference in cost if later discovered;
6. By submission of this Bid, the Proposing Vendor agrees to fully comply with all requirements of the ITB, and its separate parts, and any deviation noted in the Proposing Vendor's submission may be the basis for rejection of its Bid by the NCEL without recourse;
7. The Proposing Vendor has read and understands the Act and all of the requirements contained in the ITB and any amendments thereto, the responses to written questions submitted by Vendors and its Bid, and agrees to be bound by all the terms and conditions contained in each of these documents, without exception;
8. The Proposing Vendor has taken appropriate steps to completely and fully familiarize itself with the requirements of the ITB in order to render full performance under any resulting relationship between the NCEL and Proposing Vendor; and
9. This Bid is made without prior understanding, agreement, or connection with any corporation, firm or person submitting a Bid for the services and is in all respects fair and without collusion or fraud.

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(Signature of Authorized Representative)

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(Print Name)

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(Title)

---

(Date)

## ATTACHMENT B

### BACKGROUND DISCLOSURE FORM

*For any subcontractor that comprises at least twenty-five (25%) of the cost of the Vendor's Bid (a "**25% Subcontractor**"), disclose all the same information for each 25% Subcontractor as if each 25% Subcontractor were itself the Vendor. In addition, disclose all of the same information for each member of a joint venture, a strategic partnership or a prime contractor team as if each such joint venturer, strategic partner or member of a prime contractor team were itself the Vendor. (Vendor and all members of a joint venture, a strategic partnership or a prime contractor team are sometimes herein referred to as "**Vendor Team.**")*

[These pages may be copied and used as needed]

#### PLEASE PROVIDE THE FOLLOWING INFORMATION:

1. Name of Business:
2. Type of legal entity and the state under whose laws the business entity is organized:
3. EIN:
4. List the name, address, area code and telephone number, and social security number of the Vendor's officers, directors and each stockholder if the Vendor is a corporation (in the case of a publicly-traded corporation, only those stockholders known to the corporation to own beneficially five percent (5%) or more of such corporation's securities), as well as the same information for a parent corporation of such Vendor corporation if the parent corporation's shares are publicly traded; if the Vendor is a trust, the trustee and all persons entitled to receive income or benefits from the trust; if the Vendor is an association, the member, officers and directors; if the Vendor is a partnership or joint venture, all general partners, limited partners or joint venturers:
  - a. Name:  
Relationship to Vendor:  
Address:  
Telephone number, including area code:  
Social Security number:
  - b. Name:  
Relationship to Vendor:  
Address:  
Telephone number, including area code:  
Social Security number:

c. Name:

Relationship to Vendor:

Address:

Telephone number, including area code:

Social Security number:

5. Disclose all the states and jurisdictions (domestic and foreign) in which any member of the Vendor Team does business and the nature of the business for each such state or jurisdiction:

6. Disclose all the states and jurisdictions (domestic and foreign) in which any member of the Vendor Team has contracts to supply gaming goods or services, including, but not limited to, lottery goods and services, and the nature of the good or services involved for each such state or jurisdiction:

7. List all states and jurisdictions (domestic and foreign) in which any member of the Vendor Team has applied for, sought renewal of, has received, has been denied, has pending, or has had revoked a lottery or gaming license or lottery contract of any kind or has had fines or penalties assessed to his or its license, contract or operation and the disposition of such in each such state or jurisdiction. Include all facts or circumstances underlying the revocation or non-renewal of any lottery or gaming license or contract or any lottery or gaming license or application that has been either denied or is pending and has remained pending for more than six (6) months:

a. State:

Type of license:

Status of license:

Fines or penalties:

Circumstances:

b. State:

Type of license:

Status of license:

Fines or penalties:

Circumstances:

c. State:

Type of license:

Status of license:

Fines or penalties:



Circumstances:

8. For each member of the Vendor Team, if applicable, list the details of any finding or pleas, conviction or adjudication of guilt in a state or federal court, or in another jurisdiction, for any felony or any other criminal offense other than a traffic violation, including, but not limited to, felonies related to the security or integrity of a lottery by:

Charge:

Date of proceeding:

Custodian of records concerning this proceeding:

Outcome of proceeding:

Charge:

Date of proceeding:

Custodian of records concerning this proceeding:

Outcome of proceeding:

9. For each member of the Vendor Team, if applicable, list the details of any finding or plea, conviction or adjudication of guilt in a state or federal court, or in another jurisdiction, of any involving gambling, theft, computer offenses, forgery, perjury, dishonesty or for unlawfully selling or providing a product or substance to a minor by:

Charge:

Date of proceeding:

Custodian or records concerning this proceeding:

Outcome of proceeding:

Charge:

Date of proceeding:

Custodian or records concerning this proceeding:

Outcome of proceeding:

10. For each member of the Vendor Team, if applicable, list the details of any bankruptcy, insolvency, reorganization or corporate or individual purchase or takeover of another business, including bonded indebtedness, or any pending litigation:

a. Filing or action:

Date of filing or action:

Court of filing or action:

Date of discharge if bankruptcy:

Pending litigation:

b. Filing or action:

Date of filing or action:

Court of filing or action:

Date of discharge if bankruptcy:

Pending litigation:

11. List the business entities that are a part of the Vendor Team, and list the Fiscal Years for each team member. Complete an Authorization For Vendor Investigation for each (see Attachment C.)
12. List all the individuals constituting the Vendor Team who will work on the NCEL Contract. Complete an Authorization For Individual Investigation for each (see Attachment D).
13. Does the Vendor Team or any individual member thereof have an ownership interest in any entity that has supplied consultation services under contract to the NCEL regarding this ITB? If yes, please provide details.
14. Does any "public officer" or employee of such public officer have an ownership interest of five percent (5%) or more in any member of the Vendor Team? If yes, please provide details.
15. List any conflict of interest with the products, promotions and goals contemplated by the NCEL that could result from other projects in which the Vendor Team or any of the staff members designated to work on the project are involved. Failure to disclose any such conflict may be cause for Contract termination or disqualification of the Bid.
16. List all lobbyists and consultants working on behalf of the Vendor Team in connection with this Bid or any subsequent Contract.

## Attachment B Certification

I, \_\_\_\_\_, hereby certify that I am duly authorized to act on behalf of the Vendor and Vendor Team. In that capacity, I hereby certify that the Vendor and all members of the Vendor Team have filed appropriate tax returns as provided by the laws of the State of North Carolina. I further warrant that the information contained in this Background Disclosure Form is true and complete, and acknowledge that a finding that it is not true or complete may result in a cancellation of the Contract.

I further certify that the Vendor and each member of the Vendor Team recognizes and acknowledges that there are certain limitations on their activities, now and in the future, including, but not limited to, limitation on certain political contributions, limitation of the ability to submit Bids, in response to subsequent request for Bids issued by the NCEL, limitation on the ability to purchase lottery tickets. The restrictions on the ability to purchase lottery tickets and entering into contracts or other arrangements apply to the employees of the Vendor and the members of the Vendor Team as well as the members of all such employees' households, and the Vendor and each member of the Vendor Team will enforce such restrictions upon its employees and subcontractors.

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(Signature of Authorized Representative)

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(Print Name)

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(Title)

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(Date)

## ATTACHMENT C

### AUTHORIZATION FOR VENDOR INVESTIGATION

I, \_\_\_\_\_, hereby authorize the North Carolina Education Lottery or its designee to conduct a Vendor background investigation (N.C.G.S. §18C-152), including the civil, criminal and financial credit history of \_\_\_\_\_. I hereby release all organizations, individuals, agencies, and other employees and agents from any liability that may result from their furnishing such information and authorize all organizations, individuals, agencies and their employees and agents contacted by the North Carolina Education Lottery or its designee to provide such information. A photocopy of this release will be valid as an original thereof, even though said photocopy does not contain an original writing of my signature.

---

(Signature)

---

(Print Name)

---

(Title)

---

(Date)

## ATTACHMENT D

### AUTHORIZATION FOR INDIVIDUAL INVESTIGATION

I \_\_\_\_\_, hereby authorize the North Carolina Education Lottery to request and receive any civil, criminal, and financial credit history record information pertaining to me. I hereby release all organizations, individuals, agencies, and other employees and agents from any liability that may result from their furnishing such information and authorize all organizations, individuals, agencies and their employees and agents contacted by the North Carolina Education Lottery or its designee to provide such information. A photocopy of this release will be valid as an original thereof, even though said photocopy does not contain an original writing of my signature.

\_\_\_\_\_  
Full Name Printed

(First, Middle, Last – ***no initials***)

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

\_\_\_\_\_  
Sex

\_\_\_\_\_  
Race

\_\_\_\_/\_\_\_\_/\_\_\_\_  
Date of Birth

\_\_\_\_\_  
SSN

\_\_\_\_\_  
Signature

#### NOTARY:

State of \_\_\_\_\_, County of \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_ 2008.

Notary Public \_\_\_\_\_

My commission expires \_\_\_\_\_

[SEAL]

**ATTACHMENT E**

**Equal Business Opportunity Forms**

## Affidavit A -- Identification of Minority Business Participation

State of \_\_\_\_\_

County of \_\_\_\_\_

Affidavit of \_\_\_\_\_ (Name of Vendor)

I do hereby certify that on this Bid, we will subcontract the following minority business enterprises as vendors, suppliers or providers of professional services.

Firm Name, Address and Phone #	Work type	*Minority Category

\*Minority categories: Black, African American (**B**), Hispanic (**H**), Asian American (**A**)  
American Indian (**I**),  
Female (**F**), Socially and Economically Disadvantaged (**D**)

The total value of minority business contracting will be (\$) \_\_\_\_\_.

The undersigned hereby certifies that he or she has read the terms of the minority business commitment and is authorized to bind the Vendor to the commitment herein set forth.

\_\_\_\_\_  
(Signature of Authorized Representative)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

**NOTARY:**

State of \_\_\_\_\_, County of \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_ 2008.

Notary Public \_\_\_\_\_

My commission expires \_\_\_\_\_

**[SEAL]**



## Affidavit B- Listing of Good Faith Efforts

State of \_\_\_\_\_

County of \_\_\_\_\_

Affidavit of \_\_\_\_\_ (Name of Vendor)

I have made a good faith effort to comply under the following areas checked:

**Vendors must earn at least 50 points from the good faith efforts listed for their Bid to be considered responsive.**

- 1 – (10 pts)** Contacted minority businesses that reasonably could have been expected to submit a quote and that were known to the Vendor, or available on State or local government maintained lists, at least 10 days before the Bid date and notified them of the nature and scope of the work to be performed.
- 2 --(10 pts)** Made the construction plans, specifications and requirements available for review by prospective minority businesses, or providing these documents to them at least 10 days before the Bids are due.
- 3 – (15 pts)** Divided or combined elements of work into economically feasible units to facilitate minority participation.
- 4 – (10 pts)** Worked with minority trade, community, or contractor organizations identified by the Office of Historically Underutilized Businesses and included in the Bid documents that provide assistance in recruitment of minority businesses.
- 5 – (10 pts)** Attended pre-bid meetings scheduled by the NCEL.
- 6 – (20 pts)** Provided assistance in getting required bonding or insurance or provided alternatives to bonding or insurance for subcontractors.
- 7 – (15 pts)** Negotiated in good faith with interested minority businesses and did not reject them as unqualified without sound reasons based on their capabilities. (Any rejection of a minority business based on lack of qualification should have the reasons documented in writing.)
- 8 – (25 pts)** Provided assistance to an otherwise qualified minority business in need of equipment, loan capital, lines of credit, or joint pay agreements to secure loans, supplies, or letters of credit, including waiving credit that is ordinarily required. Assisted minority businesses in obtaining the same unit pricing with the Vendor's suppliers in order to help minority businesses in establishing credit.
- 9 – (20 pts)** Negotiated joint venture and partnership arrangements with minority businesses in order to increase opportunities for minority business participation on a public construction or repair project when possible.
- 10 - (20 pts)** Provided quick pay agreements and policies to enable minority contractors and suppliers to meet cash-flow demands.

The undersigned, if declared to be the Successful Vendor, will enter into a formal agreement with the firms listed in the Identification of Minority Business Participation schedule conditional upon scope of Contract to be executed with the NCEL. Substitution of contractors must be in accordance with N.C.G.S. §143-128.2(d). Failure to abide by this statutory provision will constitute a breach of the Contract.

The undersigned hereby certifies that he or she has read the terms of the minority business commitment and is authorized to bind the Vendor to the commitment herein set forth.

---

(Signature of Authorized Representative)

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(Print Name)

---

(Title)

---

(Date)

**NOTARY:**

State of \_\_\_\_\_, County of \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_ 2008.

Notary Public \_\_\_\_\_

My commission expires \_\_\_\_\_

**[SEAL]**

**Affidavit C-- Intent to Perform Contract with Own Workforce**

State of \_\_\_\_\_

County of \_\_\_\_\_

Affidavit of \_\_\_\_\_ (Name of Vendor)

I hereby certify that it is our intent to perform 100% of the work required for the NCEL contract for Audio/Visual Equipment and Related Services.

In making this certification, the Vendor states that the Vendor does not customarily subcontract elements of this type project, and normally performs and has the capability to perform and will perform all elements of the work on this project with his/her own current work forces; and

The Vendor agrees to provide any additional information or documentation requested by the NCEL in support of the above statement.

The undersigned hereby certifies that he or she has read this certification and is authorized to bind the Vendor to the commitments herein contained.

\_\_\_\_\_  
(Signature of Authorized Representative)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

**NOTARY:**

State of \_\_\_\_\_, County of \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_ 2008.

Notary Public \_\_\_\_\_

My commission expires \_\_\_\_\_

**[SEAL]**

## ATTACHMENT F

### COST PROPOSAL

\_\_\_\_\_  
(Bidder's Name)

1. Using the following table, please itemize the unit cost per line item and the extended unit cost

**Total Equipment Cost** \$ \_\_\_\_\_

2. Cost for Additional Essential Items

- Cost associated with the shipping, installation, activation, testing, and training of all required equipment \$ \_\_\_\_\_
- Cost associated with a one (1) year warranty that the proposed installed equipment is free from any and all defects in material and workmanship. Such warranty to cover replacement costs, labor, freight, and travel expenses at no additional cost to the NCEL \$ \_\_\_\_\_

**Total Cost for Additional Essential Items** \$ \_\_\_\_\_

3. Cost of Optional Modifications \$ \_\_\_\_\_

- Cost associated with one (1) year of service and maintenance after the expiration of the initial warranty period and options for two (2) years thereafter \$ \_\_\_\_\_
- Other (*please specify*) \$ \_\_\_\_\_

**Total Cost of Optional Modifications** \$ \_\_\_\_\_

**TOTAL COST PROPOSAL** \$ \_\_\_\_\_

Signed by: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_